PRIORITY

CONFIDENTIAL
(Security Classification)

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773.5-MSP/1-3156

FOREIGN SERVICE DESPATCH

FROM : American Embassy, Tripoli

270
DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

January 31, 1956
DATE

REF : Embdesp. 257, January 19, 1956

15 For Dept. Use Only	ACTION REC'D 2:13	DEPT. INFO OTHER NEA-4 FM/A-2 REF-2 OCI-6 E-4 OIF-2 OIR-1 ICA-10 O/MSA-1 S/P-2 TA-3

SUBJECT: Transfer of LARC Funds

JOINT EMBASSY/USOM MESSAGE

The Embassy forwards as Enclosure No. 1 a copy in reproducible despatch form of a letter from Ambassador Tappin to Ali Sahli, Chairman of the Libyan American Reconstruction Commission (LARC), acknowledging receipt of a request from Sahli for the transfer of $5,000,000 of LARC funds to an account in the Guaranty Trust Company of New York. Copies of the request were forwarded under cover of Embassy Despatch No. 257.

The principal purpose of the Ambassador's reply, aside from courtesy, was to point out that the two $4,000,000 contributions received so far by the Libyan Government under the terms of the U. S. - Libyan Economic Aid Agreement were for the U. S. fiscal years 1955 and 1956, not 1954 and 1955 as was stated in Sahli's letter. The Embassy does not believe that the error was purposeful but did consider that for the sake of the record it should be corrected.

For the Ambassador:

David G. Nes
Counselor of Embassy

cc: Benghazi
USOM

FILED
DEPARTMENT OF STATE
1956 FEB 13 AM 9 19

RM/R
CURRENT RECORDS
BRANCH

DECLASSIFIED
E.O. 12356, Sec. 3.5
NSC Memo, 11/24/98
By G. M. Razi May 6, 1982

FEB 24 1956

FILED

Cleared in draft by Thorcon
FKHamby/lva
Enc. 1 REPORTER

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ACTION COPY — DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

This Document Must Be Returned to RM/R Central Files

773.5-MSP/1-3156

CONFIDENTIAL FILE

LWC

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(Classification)

DECLASSIFIED

copy

American Embassy,
Tripoli, Libya,
January 24, 1956.

Excellency:

Your excellency's request dated January 15, 1956 for transfer of $5,000,000 of Libyan-American Reconstruction Commission (LARC) funds from the LARC account in the United States Treasury to an account in the name of the National Bank of Libya in the Guaranty Trust Company of New York was transmitted by cable to Washington, and the Department of State has notified us that the Treasury has been instructed to make the transfer.

For the sake of the record, I might call it to Your Excellency's attention that the United States Government's fiscal years are customarily denominated by the calendar year in which the last half of the fiscal year occurs. The fiscal years referred to in the second paragraph of Your Excellency's letter would thus be designated 1956 and 1955, respectively.

I am pleased to note from the size of the requested transfer that the Libyan-American Reconstruction Commission's development program appears to be getting into full stride, and that our joint efforts to further Libya's economic progress are well on their way.

Sincerely yours,

John L. Tappin
American Ambassador

His Excellency
Ali Sahli,
Chairman, Libyan-American Reconstruction Commission,
Tripoli, Libya.

UNCLASSIFIED

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